

Unified School District Number 320, Wamego, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

June 30, 2015

Unified School District Number 320, Wamego, Kansas

FINANCIAL STATEMENT
For the Year Ended June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District Number 320
Wamego, Kansas

Report on Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District Number 320, as of and for the year ended June 30, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by the Unified School District Number 320 to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District Number 320 of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.



Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District Number 320 as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds, (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying Schedule of Expenditures of Federal Awards is also presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations* and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

The 2014 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we have rendered an unmodified opinion dated November 5, 2015. The 2014 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used into prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the basic financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note C.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2015, on our consideration of the Unified School District Number 320's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Unified School District Number 320's internal control over financial reporting and compliance.



Agler & Gaeddert, Chartered
November 5, 2015

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Unified School District Number 320, Wamego, Kansas

**SUMMARY OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended June 30, 2015**

	<u>Unencumbered Cash Balance Beginning</u>	<u>Prior Year Cancelled Encumbrances</u>
Governmental type funds		
General funds		
General	\$ 0	\$ 0
Supplemental general	210,248	0
Special purpose funds		
Adult supplemental education	26,714	0
At-risk (K-12)	76,372	0
Capital outlay	358,819	0
Driver training	27,245	0
Food service	181,583	0
Professional development	57,677	0
Parent education program	0	0
Summer school	70,100	0
Special education	118,308	0
Vocational education	48,773	0
Gifts	31,844	0
KPERs Special Retirement Contribution	0	0
Contingency reserve	415,364	0
Textbook rental	105,641	0
Special Services Cooperative	490,779	0
Federal grants	0	0
District activity funds		
Gate receipts	10,485	0
School projects	35,764	0
User fees	1,640	0
Bond and interest fund		
Bond and interest	2,016,205	0
Capital project fund		
Construction	15,001	0
Business fund		
Health care services	<u>60,592</u>	<u>0</u>
 Total reporting entity (excluding agency funds)	 \$ <u><u>4,359,154</u></u>	 \$ <u><u>0</u></u>

The accompanying notes are an integral part of this statement.

Statement 1

<u>Receipts</u>	<u>Expenditures</u>	<u>Unencumbered Cash Balance Ending</u>	<u>Outstanding Encumbrances and Accounts Payable</u>	<u>Cash Balance June 30, 2015</u>
\$ 8,903,411	\$ 8,899,692	\$ 3,719	\$ 648,319	\$ 652,038
2,906,195	3,057,096	59,347	38,933	98,280
2,710	17,449	11,975	900	12,875
702,225	712,831	65,766	93,210	158,976
2,342,486	2,338,681	362,624	1,816,661	2,179,285
15,226	12,011	30,460	0	30,460
799,070	784,692	195,961	7,742	203,703
13,923	33,709	37,891	3,520	41,411
43,725	43,725	0	6,479	6,479
0	70,100	0	0	0
2,095,098	2,141,318	72,088	38	72,126
310,288	314,020	45,041	36,926	81,967
23,662	18,457	37,049	0	37,049
1,164,967	1,164,967	0	0	0
0	0	415,364	0	415,364
58,020	136,299	27,362	50,755	78,117
4,882,892	4,841,443	532,228	401,948	934,176
207,691	207,691	0	17,515	17,515
138,500	139,350	9,635	0	9,635
12,177	44,581	3,360	0	3,360
104,744	104,741	1,643	0	1,643
2,370,961	2,215,488	2,171,678	0	2,171,678
0	15,000	1	0	1
1	0	60,593	0	60,593
<u>\$ 27,097,972</u>	<u>\$ 27,313,341</u>	<u>\$ 4,143,785</u>	<u>\$ 3,122,946</u>	<u>\$ 7,266,731</u>

Composition of ending cash

Demand deposits (includes held checks)

Kaw Valley State Bank, Wamego, Kansas \$ 3,578

First National Bank, Wamego, Kansas 50,962

Time deposit accounts

First National Bank, Wamego, Kansas 7,376,758

Total cash and investments 7,431,298

Agency funds per Schedule 3 (164,567)

Total reporting entity (excluding agency funds) \$ 7,266,731

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE A. MUNICIPAL REPORTING ENTITY

Unified School District Number 320 is a municipal corporation governed by an elected seven member board.

These financial statements include all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District potentially could have the following types of funds.

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund – funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.). The District did not have any trust funds.

Agency fund – funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE D. BUDGETARY INFORMATION - Continued

mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget.
3. Public hearing after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment to Comply with Legal Max – Unified school districts should use this line item (for use in the budget column only) to adjust the certified budget to comply with the “Legal Max” budget. The Kansas State Department of Education calculates the “Legal Max” budget using enrollment figures. The District’s budgeted expenditures are limited to the lower of the published budget or the “Legal Max” budget.

Adjustment for Qualifying Budget Credits – Districts may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year’s accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following special purpose funds, capital project funds, business funds and trusts:

Gifts
Federal Grants

Contingency Reserve
Construction

Textbook Rental
Health Care Services

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. DEPOSITS AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost.

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District’s funds have a main branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE E. DEPOSITS AND INVESTMENTS - Continued

funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The District rates investments (if any) as noted.

Custodial credit risk – deposits. Custodial credit risk is the risk in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at June 30, 2015.

At June 30, 2015, the carrying amount of the District's bank deposits was \$7,431,298 (which includes petty cash funds) and the bank balance was \$7,451,662. The bank balance was held by two banks with one bank holding \$7,448,083 resulting in an increase in concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$253,579 was covered by FDIC insurance, and \$7,198,083 was collateralized with securities held by the pledging financial institutions' agent in the District's name.

Custodial credit risk – investments - For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Concentration of credit risk – State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

NOTE F. IN-SUBSTANCE PAYMENTS

The District received \$283,063 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

NOTE G. LONG-TERM DEBT

Long-term obligations consisted of the following during the year:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General Obligation				
Series 2009 A	3.13%	12/29/2009	1,325,000	06/30/2019
Series 2009 B	5.375% to 5.9%	12/29/2009	9,300,000	06/30/2025
Series 2010	2-3%	11/15/2010	7,830,000	09/01/2017
Capital lease - equipment	3.44%	04/14/2015	1,900,000	04/14/2030

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE G. LONG-TERM DEBT - Continued

Changes in long-term liabilities for the Wamego Unified School District for the year ended June 30, 2015, were as follows:

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance June 30, 2015</u>	<u>Interest Paid</u>
General obligation bonds:					
Series 2009 A	\$ 1,325,000	\$ 0	\$ 0	\$ 1,325,000	\$ 41,406
Series 2009 B	9,300,000	0	0	9,300,000	533,682
Series 2010	<u>6,170,000</u>	<u>0</u>	<u>(1,485,000)</u>	<u>4,685,000</u>	<u>155,400</u>
Total long-term debt	\$ <u>16,795,000</u>	\$ <u>0</u>	\$ <u>(1,485,000)</u>	\$ <u>15,310,000</u>	\$ <u>730,488</u>
Capital lease - equipment	\$ <u>0</u>	\$ <u>1,900,000</u>	\$ <u>0</u>	\$ <u>1,900,000</u>	\$ <u>0</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

<u>Year</u>	<u>General Obligation</u>		<u>Capital lease</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,515,000	\$ 692,913	\$ 98,409	\$ 66,449
2017	1,560,000	646,788	102,023	62,835
2018	1,610,000	599,238	105,581	59,277
2019	1,325,000	554,385	109,264	55,595
2020	1,300,000	498,744	112,933	51,926
2021 to 2025	8,000,000	1,236,297	627,228	197,065
2025	<u>0</u>	<u>0</u>	<u>744,562</u>	<u>79,730</u>
	\$ <u>15,310,000</u>	\$ <u>4,228,365</u>	\$ <u>1,900,000</u>	\$ <u>572,877</u>

The District is subject to the statutes of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible property within the District, as certified to the County Clerk on the preceding August 25. Additional authority may be granted by the Kansas State Board of Education. On July 15, 2009, the State Board of Education granted the District authority to issue bonds in excess of statutory limits. At June 30, 2015, the statutory limit for the District was \$9,886,272 and the District had exceed the debt limit by \$(5,423,728). The District has received approval from the State to exceed its debt limit. The outstanding bond principal represents 22% of the District valuation.

Operating Leases

The District leases copier machines under annual operating leases. The total annual rental expense under these leases was \$11,181 for June 30, 2015. Future rental payments under this operating lease for the years ended June 30, 2016, 2017, 2018 and 2019 amount to \$11,181 per year. This District also leases copier machines on lease that are renewable every year. The total annual expense under this lease was \$40,620.

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE H. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Special Education	K.S.A. 72-6428	1,570,098
General Fund	Vocational Education	K.S.A. 72-6428	20,137
Supplemental General	Drivers Training	K.S.A. 72-6433	3,500
Supplemental General	Professional development	K.S.A. 72-6429	10,000
Supplemental General	Parent Education	K.S.A. 72-6434	17,225
Supplemental General	Special Education	K.S.A. 72-6433	525,000
Supplemental General	Vocational Education	K.S.A. 72-6429	290,000
Supplemental General	At-Risk K-12	K.S.A. 72-6433	700,000
Summer School	General Fund	K.S.A. 72-6433	70,100
Title IIA	Title I	K.S.A. 72-6433	0

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Compensated Absences

The District's policy is to recognize the costs of compensated absences when actually paid. The District's policy regarding personal leave allows 24 hours of personal leave each year which may be taken in 15 minute increments if the teacher provides a request for leave (submitted 2 weeks in advance) to the building principal which in turn is submitted to the superintendent. The personal leave can accumulate up to 48 hours. If personal leave exceeds 24 hours at year end the amount in excess of 24 hours will be credited to each individual's sick leave. The District's policy regarding sick and bereavement leave allows for 80 hours for teachers and 40 hours for certified employees each year. Part-time employees will receive a sick and bereavement leave in proportion to that of a full time employee. Sick and bereavement leave may accumulate up to 960 hours and can be taken in 15 minute increments. Employees may contribute to a sick leave pool from their individual accumulated sick and bereavement leave. Once an employee contributes to the pool they are a member of the pool and eligible to receive time from the pool upon formal request. The sick leave pool is limited to 90 days total and if contributions to the pool will result in excess of 90 days the time will be credited back to the donor. In the event of termination accumulated sick leave is not payable.

Sick and bereavement leave is paid out to resigning and retiring employees at the following rates:

3 - 6 years of service.....	\$ 200
7 - 10 years of service.....	300
11 or more years of service.....	500

For the year ended June 30, 2015, \$2,200 was paid to employees who left the District during the fiscal period.

Eligible employees who continue employment shall receive an annual payment in June each year for excess sick and bereavement leave accrued beyond 120 days at the rate of \$10.00 per day. For the year ended June 30, 2015, \$944 was paid under this plan.

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS - Continued

Compensated absences for the year ended June 30, 2015 were as follows:

	Balance Beginning of Year	Net Change	Balance End of Year
Compensated absences	\$ 21,200	\$ (200)	\$ 21,000

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

Flexible Benefit Plan (I.R.C. Section 125)

The Board adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All employees of the District are eligible to participate in the Plan beginning the first day of the month following their employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. In addition, the District shall contribute the cost of the health insurance premium for a single policy to a maximum of \$350 per month to the fringe benefit package for full time employees and administrators. Currently, benefits offered through the Plan include health insurance coverage, medical reimbursement, and childcare reimbursement.

NOTE J. DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is Tier 1 or Tier 2 member. The tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KERS member-employee contributions rate of 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

Net Pension Liability - The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014, the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability as of June 30, 2014 to be \$16,556,426. The complete actuarial valuation report including all actuarial assumptions and methods is publically available on the website at ww.kpers.org or can be obtained as described in the first paragraph above.

Unified School District Number 320, Wamego, Kansas

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE K. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlements of claims have not exceeded coverage during the past three years.

NOTE L. OTHER INFORMATION

Reimbursed Expenses

The District records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.

Compliance with Kansas Statutes

References made herein to statutes are not intended as interpretations of law, but are offered for consideration by the Director of Accounts and Reports and interpretation by the legal representative of the District. Management is not aware of any other statutory violations for the period covered by this audit.

Ad Valorem Tax Revenue

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20th and distributed to the District by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the District by June 5th. The District Treasurer draws available funds from the County Treasurer at designated times throughout the year.

Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the District at June 30, 2015.

NOTE M. SUBSEQUENT EVENTS

Subsequent Events: The District has evaluated subsequent events through November 5, 2015, the date the financial statements were available to be issued and has determined there are no events which require disclosure.

1. *Required Regulatory Basis*
2. *Supplementary Information*

**Required Regulatory Basis
Supplementary Information**

Unified School District Number 320, Wamego, Kansas

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended June 30, 2015**

	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max *</u>
Governmental type funds		
General funds		
General	\$ 9,341,864	\$ (462,315)
Supplemental general	3,148,005	(145,154)
Special revenue funds		
Adult supplemental education	29,064	0
At-risk (K-12)	776,372	0
Capital outlay	772,096	0
Driver training	39,965	0
Food service	971,137	0
Professional development	75,177	0
Parent education program	47,993	0
Summer school	70,100	0
Special education	2,538,308	0
Vocational education	367,910	0
KPERS special retirement contribution	1,379,705	0
Special services cooperative	5,773,566	0
Bond and interest funds		
Bond and interest	2,215,488	0

See Independent Auditor's Report.

Schedule 1

<u>Adjustment for Qualifying Budget Credits *</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
\$ 20,143	\$ 8,899,692	\$ 8,899,692	\$ 0
54,245	3,057,096	3,057,096	0
0	29,064	17,449	(11,615)
0	776,372	712,831	(63,541)
1,967,984	2,740,080	2,338,681	(401,399)
0	39,965	12,011	(27,954)
0	971,137	784,692	(186,445)
0	75,177	33,709	(41,468)
0	47,993	43,725	(4,268)
0	70,100	70,100	0
0	2,538,308	2,141,318	(396,990)
0	367,910	314,020	(53,890)
0	1,379,705	1,164,967	(214,738)
0	5,773,566	4,841,443	(932,123)
0	2,215,488	2,215,488	0

Unified School District Number 320, Wamego, Kansas

Schedule 2a

GENERAL FUNDS
GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Local sources				
Ad valorem tax	\$ 1,353,090	\$ 0	\$ 0	\$ 0
Delinquent tax	17,722	0	0	0
Reimbursements	170,251	15,096	0	15,096
County sources				
In lieu of taxes	3,845	3,719	0	3,719
State sources				
Equalization aid, general	5,863,651	7,244,398	7,376,764	(132,366)
Equalization aid, special education	1,720,735	1,570,098	1,895,000	(324,902)
Transfers				
Transfers from authorized funds	0	70,100	70,100	0
Total cash receipts	<u>9,129,294</u>	<u>8,903,411</u>	<u>\$ 9,341,864</u>	<u>\$ (438,453)</u>
Expenditures				
Instruction				
Salaries				
Certified	3,678,349	3,791,333	\$ 3,870,931	\$ (79,598)
Noncertified	197,418	180,343	250,306	(69,963)
Employee benefits				
Insurance	262,102	248,069	346,033	(97,964)
Social security	334,225	324,849	313,987	10,862
Other	144,611	124,457	56,336	68,121
Travel staff	69	313	0	313
Supplies	0	0	1,000	(1,000)
Student support services				
Salaries				
Certified	231,128	224,838	197,022	27,816
Noncertified	0	0	39,756	(39,756)
Employee benefits				
Insurance	31,895	31,719	14,198	17,521
Social security	18,696	18,099	17,597	502
Other	1,381	2,635	1,558	1,077
Purchase professional	11,224	3,922	0	3,922
Instructional support staff				
Salaries				
Certified	209,390	212,871	195,743	17,128
Noncertified	92,081	88,978	94,819	(5,841)
Employee benefits				
Insurance	10,393	11,382	12,528	(1,146)
Social security	19,791	20,249	22,190	(1,941)
Other	2,420	1,785	2,002	(217)

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2a

**GENERAL FUNDS
GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Expenditures - continued				
General administration				
Salaries				
Certified	\$ 102,171	\$ 103,605	\$ 103,000	\$ 605
Noncertified	9,355	9,492	9,412	80
Employee benefits				
Insurance	5,097	6,006	6,222	(216)
Social security	8,266	8,395	8,599	(204)
Other	718	2,014	866	1,148
School administration				
Salaries				
Certified	365,789	376,541	373,841	2,700
Noncertified	137,599	143,582	130,211	13,371
Employee benefits				
Insurance	33,835	38,539	45,936	(7,397)
Social security	36,959	37,982	38,517	(535)
Other	4,104	3,511	4,626	(1,115)
Operations and maintenance				
Salaries				
Noncertified	571,598	601,194	539,925	61,269
Employee benefits				
Insurance	73,500	66,848	75,102	(8,254)
Social security	43,571	45,795	41,302	4,493
Other	29,401	44,139	33,077	11,062
Student transportation services				
Salaries				
Noncertified	196,475	179,972	35,306	144,666
Employee benefits				
Insurance	3,972	3,703	3,758	(55)
Social security	14,380	13,181	2,701	10,480
Other	10,297	15,935	273	15,662
Supplies	0	0	1,000	(1,000)
Vehicle operating services				
Salaries				
Noncertified	32,620	37,142	180,000	(142,858)
Employee benefits				
Social security	2,495	2,841	13,771	(10,930)
Other	68	55	13,207	(13,152)
Other	1,558	481	0	481
Vehicle Services & Maintenance Services				
Salaries				
Noncertified	0	0	42,082	(42,082)

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2a

**GENERAL FUNDS
GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Expenditures - continued				
Other student transportation services				
Salaries				
Noncertified	\$ 67,120	\$ 60,413	\$ 64,790	\$ (4,377)
Employee benefits				
Social security	5,171	4,577	4,957	(380)
Other	3,186	4,566	4,622	(56)
Other supplemental service				
Salaries				
Certified	79,789	81,289	81,089	200
Noncertified	101,424	102,847	105,334	(2,487)
Employee benefits				
Insurance	11,369	14,095	11,526	2,569
Social security	12,923	13,036	14,236	(1,200)
Other	1,379	1,839	1,433	406
Operating transfers				
Capital outlay	120,538	0	0	0
Special education	1,720,735	1,570,098	1,895,000	(324,902)
Vocational education	61,309	20,137	20,137	0
Professional development	15,350	0	0	0
Adjustment to comply with legal max	0	0	(462,315)	462,315
Legal operating budget	9,129,294	8,899,692	8,879,549	20,143
Adjustment for qualifying budget credits	0	0	20,143	(20,143)
Total expenditures	<u>9,129,294</u>	<u>8,899,692</u>	<u>\$ 8,899,692</u>	<u>\$ 0</u>
Receipts over (under) expenditures	0	3,719		
Unencumbered cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 0</u>	<u>\$ 3,719</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2b

GENERAL FUNDS
SUPPLEMENTAL GENERAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Local sources					
Ad valorem tax	\$ 1,632,870	\$ 1,039,438	\$ 980,124	\$ 59,314	
Delinquent tax	22,285	7,766	16,595	(8,829)	
Reimbursements	34,491	54,245	0	54,245	
County sources					
Motor vehicle tax	157,315	191,950	166,544	25,406	
Recreational vehicle tax	3,530	5,189	4,054	1,135	
16/20M truck	3,318	3,244	0	3,244	
State sources					
Supplemental state aid	1,284,475	1,604,363	1,770,438	(166,075)	
Total cash receipts	<u>3,138,284</u>	<u>2,906,195</u>	<u>\$ 2,937,755</u>	<u>\$ (31,560)</u>	
Expenditures					
Instruction					
Salaries					
Certified	118,596	106,039	\$ 122,300	\$ (16,261)	
Employee benefits					
Insurance					
Social security	3	15	9,356	(9,341)	
Other	6	0	839	(839)	
Purchased Professional and technical services	1,919	0	0	0	
Purchased Services	4,042	2,725	0	2,725	
Other purchased services	185	3,853	12,800	(8,947)	
Supplies					
General teaching supplies	47,176	33,091	59,050	(25,959)	
Textbooks	11,491	0	0	0	
Property	15,009	0	9,265	(9,265)	
Other	35,869	29,244	27,000	2,244	
Student support services					
Supplies	24,865	37,489	42,000	(4,511)	
Property	4,902	0	0	0	
Instructional support staff					
Purchased professional and technical services	1,777	0	9,500	(9,500)	
Other purchased services	5,331	0	0	0	
Supplies					
Books and periodicals	16,877	11,892	18,900	(7,008)	

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2b

GENERAL FUNDS
SUPPLEMENTAL GENERAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Expenditures - continued				
General administration				
Purchased professional and technical services	\$ 30,658	\$ 19,332	\$ 19,500	\$ (168)
Purchased property services	22,274	349	3,500	(3,151)
Other purchased services				
Insurance	99,794	91,518	105,000	(13,482)
Communications	26,218	23,545	25,500	(1,955)
Other	0	2,626	37,500	(34,874)
Supplies	22,602	15,541	7,000	8,541
Other	28,674	22,032	9,700	12,332
School administration				
Employee benefits				
Insurance	5,058	9,222	0	9,222
Social security	1	0	0	0
Purchased professional and technical services	790	0	0	0
Purchased property services	31,928	69,213	65,050	4,163
Other purchased services				
Communications	4,830	0	13,000	(13,000)
Other	4,329	83	0	83
Supplies	26,088	23,324	25,000	(1,676)
Other	33,783	21,558	43,000	(21,442)
Central services				
Purchased professional and technical services	0	96,773	12,000	84,773
Other purchased services	0	18,065	700	17,365
Supplies	0	0	15,000	(15,000)
Other	0	0	5,000	(5,000)
Operations & maintenance				
Purchased professional and technical services	0	0	24,250	(24,250)
Purchased property services				
Water/sewer	0	4,000	0	4,000
Cleaning	17,070	11,840	17,300	(5,460)
Repairs and maintenance	9,936	11,469	44,500	(33,031)
Other	12,171	5,903	500	5,403
Energy				
Heating	56,732	43,344	66,500	(23,156)
Electricity	410,443	369,900	395,000	(25,100)
Motor Fuel	35	0	0	0
Supplies				
General supplies	232,967	322,102	206,473	115,629

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2b

**GENERAL FUNDS
SUPPLEMENTAL GENERAL**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Expenditures - continued				
Operations & maintenance- transportation				
Employee benefits				
Social security	101	52	0	52
Employee Benefits	2	11	0	11
Vehicle Operating Services				
Other	1,375	3,144	0	3,144
Other purchased services	7,342	677	0	677
Insurance	1,399	83	9,300	(9,217)
Motor fuel	86,614	71,569	94,845	(23,276)
Other	4,141	3,881	7,471	(3,590)
Vehicle & Maintenance Services				
Supplies	35,048	23,313	37,000	(13,687)
Other	4,718	2,554	0	2,554
Operating transfers				
Driver training	3,500	3,500	3,500	0
Summer school	50,000	0	0	0
Professional development	40,000	10,000	10,000	0
Parent education program	18,906	17,225	18,906	(1,681)
Special education	500,000	525,000	525,000	0
Vocational education	240,000	290,000	290,000	0
At-risk (K-12)	700,000	700,000	700,000	0
Adjustment to comply with legal max	<u>0</u>	<u>0</u>	<u>(145,154)</u>	<u>145,154</u>
Legal operating budget	3,057,575	3,057,096	3,002,851	54,245
Adjustment for qualifying budget credits	<u>0</u>	<u>0</u>	<u>54,245</u>	<u>(54,245)</u>
Total expenditures	<u>3,057,575</u>	<u>3,057,096</u>	<u>\$ 3,057,096</u>	<u>\$ 0</u>
Receipts over (under) expenditures	80,709	(150,901)		
Unencumbered cash, July 1	106,149	210,248		
Prior year cancelled encumbrances	<u>23,390</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 210,248</u>	<u>\$ 59,347</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2c

**SPECIAL PURPOSE FUNDS
ADULT SUPPLEMENTARY EDUCATION**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Local sources					
Student fees	\$ 800	\$ 2,382	\$ 350	\$ 2,032	
Donations	12,470	240	0	240	
Miscellaneous	0	88	2,000	(1,912)	
State sources					
Grant	2,041	0	0	0	
Total cash receipts	<u>15,311</u>	<u>2,710</u>	<u>\$ 2,350</u>	<u>\$ 360</u>	
Expenditures					
Instruction					
Salaries					
Noncertified	21,588	9,094	\$ 7,800	\$ 1,294	
Employee benefits					
Insurance	2,224	902	1,053	(151)	
Social security	1,607	638	597	41	
Other	137	61	18	43	
Purchased professional & tech services	0	3,825	6,718	(2,893)	
Other purchased services	468	65	1,000	(935)	
Supplies	1,652	723	2,000	(1,277)	
Supplies (technology related)	0	0	2,000	(2,000)	
Property	0	0	6,138	(6,138)	
Other	0	0	500	(500)	
Student Support Services					
Other	0	0	40	(40)	
Property equipment and furniture	17,405	2,141	0	2,141	
Other	0	0	1,200	(1,200)	
Total expenditures	<u>45,081</u>	<u>17,449</u>	<u>\$ 29,064</u>	<u>\$ (11,615)</u>	
Receipts over (under) expenditures	(29,770)	(14,739)			
Unencumbered cash, July 1	<u>56,484</u>	<u>26,714</u>			
Unencumbered cash, June 30	<u>\$ 26,714</u>	<u>\$ 11,975</u>			

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2d

**SPECIAL PURPOSE FUNDS
AT-RISK (K-12)**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Other					
Miscellaneous	\$ 970	\$ 2,225	\$ 0	\$ 2,225	
Transfer from Supplemental General	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>0</u>	
Total cash receipts	<u>700,970</u>	<u>702,225</u>	<u>700,000</u>	<u>\$ 2,225</u>	
Expenditures					
Instruction					
Salaries					
Certified	402,410	469,365	\$ 472,013	\$ (2,648)	
Noncertified	131,408	81,663	135,100	(53,437)	
Employee benefits					
Insurance	28,518	51,523	53,578	(2,055)	
Social security	33,500	43,547	33,500	10,047	
Other	17,125	6,631	8,749	(2,118)	
Purchased professional and tech services	10,571	4,005	4,424	(419)	
Supplies					
General supplemental	0	0	8,629	(8,629)	
Other	0	0	4,400	(4,400)	
Student support services					
Salaries					
Certified	38,033	46,142	47,606	(1,464)	
Noncertified	7	0	0	0	
Employee benefits					
Insurance	3,326	4,141	4,177	(36)	
Social security	3,128	3,277	3,639	(362)	
Other	265	305	257	48	
Other purchased services	6,384	2,232	0	2,232	
Supplies	<u>0</u>	<u>0</u>	<u>300</u>	<u>(300)</u>	
Total expenditures	<u>674,675</u>	<u>712,831</u>	<u>\$ 776,372</u>	<u>\$ (63,541)</u>	
Receipts over (under) expenditures	26,295	(10,606)			
Unencumbered cash, July 1	50,001	76,372			
Prior year cancelled encumbrances	<u>76</u>	<u>0</u>			
Unencumbered cash, June 30	<u>\$ 76,372</u>	<u>\$ 65,766</u>			

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2e

**SPECIAL PURPOSE FUNDS
CAPITAL OUTLAY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Local sources				
Ad valorem tax	\$ 2	\$ 297,336	\$ 289,680	\$ 7,656
Delinquent tax	657	52	0	52
Interest on idle funds	117	58	130	(72)
Other	117,694	1,967,984	0	1,967,984
County sources				
16/20M truck	34	0	0	0
Other	0	0	200	(200)
State sources				
Capital outlay state aid	0	77,056	123,268	(46,212)
Other				
Transfer from General	120,538	0	0	0
Total cash receipts	<u>239,042</u>	<u>2,342,486</u>	<u>\$ 413,278</u>	<u>\$ 1,929,208</u>
Expenditures				
Instruction - Property	56,380	113,247	\$ 235,535	\$ (122,288)
Student support services - Property	5,755	38,984	5,000	33,984
Instructional support staff - Property	1,015	24,250	15,000	9,250
General administration - Property	4,000	6,144	5,000	1,144
School Administration I Property	4,133	1,763	10,000	(8,237)
Operations and maintenance				
Supplies	0	2,405	0	2,405
Property	14,201	61,028	80,000	(18,972)
Transportation - Property	90,854	22,447	75,504	(53,057)
Facility acquisition & construction services				
Land acquisition	0	0	15,000	(15,000)
Architectural & engineering services	0	89,626	3,311	86,315
Building acquisition & construction	710,870	0	10,000	(10,000)
Site improvements	18,026	50,315	15,000	35,315
Building improvements	<u>0</u>	<u>1,928,472</u>	<u>302,746</u>	<u>1,625,726</u>
Legal operating budget	905,234	2,338,681	772,096	1,566,585
Adjustment for qualifying budget credits	<u>0</u>	<u>0</u>	<u>1,967,984</u>	<u>(1,967,984)</u>
Total expenditures	<u>905,234</u>	<u>2,338,681</u>	<u>\$ 2,740,080</u>	<u>\$ (401,399)</u>
Receipts over (under) expenditures	(666,192)	3,805		
Unencumbered cash, July 1	1,024,396	358,819		
Prior year cancelled encumbrances	<u>615</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 358,819</u>	<u>\$ 362,624</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2f

**SPECIAL PURPOSE FUNDS
DRIVER TRAINING**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Local sources					
Other	\$ 8,250	\$ 8,750	\$ 6,500	\$ 2,250	
State sources					
State safety aid	2,380	2,976	2,720	256	
Other					
Transfer from supplemental general	3,500	3,500	3,500	0	
Total cash receipts	<u>14,130</u>	<u>15,226</u>	<u>\$ 12,720</u>	<u>\$ 2,506</u>	
Expenditures					
Instruction					
Salaries					
Certified	8,460	8,971	\$ 9,345	\$ (374)	
Employee benefits					
Social security	647	688	669	19	
Other	622	668	67	601	
General supplemental teaching	0	84	39	45	
Vehicle operations, maintenance services					
Rentals	500	500	500	0	
Insurance	250	250	250	0	
Motor fuel	850	850	850	0	
Other supplemental services					
Other	81	0	28,245	(28,245)	
Total expenditures	<u>11,410</u>	<u>12,011</u>	<u>\$ 39,965</u>	<u>\$ (27,954)</u>	
Receipts over (under) expenditures	2,720	3,215			
Unencumbered cash, July 1	<u>24,525</u>	<u>27,245</u>			
Unencumbered cash, June 30	\$ <u>27,245</u>	\$ <u>30,460</u>			

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2g

**SPECIAL PURPOSE FUNDS
FOOD SERVICE**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Local sources				
Food service				
Student sales - lunch	\$ 298,627	\$ 334,922	\$ 288,840	\$ 46,082
Student school lunches (breakfast)	16,783	14,813	16,886	(2,073)
Adult and student sales	130,544	105,722	140,247	(34,525)
Miscellaneous	15,694	15,857	15,000	857
State sources				
School food assistance	8,364	7,934	7,102	832
Federal sources				
Child nutrition programs	<u>327,602</u>	<u>319,822</u>	<u>321,479</u>	<u>(1,657)</u>
Total cash receipts	<u>797,614</u>	<u>799,070</u>	<u>\$ 789,554</u>	<u>\$ 9,516</u>
Expenditures				
Operations and maintenance				
Salaries				
Noncertified	33,659	34,851	\$ 34,960	\$ (109)
Employee benefits				
Insurance	3,517	4,164	5,220	(1,056)
Social security	2,477	2,498	2,659	(161)
Other	1,832	234	268	(34)
Miscellaneous supplies	0	0	10,000	(10,000)
Food service operation				
Salaries				
Noncertified	225,840	227,181	228,021	(840)
Employee benefits				
Insurance	0	0	5,220	(5,220)
Social security	17,052	17,187	17,444	(257)
Other	14,588	20,537	14,885	5,652
Other purchased services	0	2,533	3,300	(767)
Supplies				
Food and milk	375,919	422,901	416,800	6,101
Miscellaneous supplies	22,282	15,797	25,000	(9,203)
Property	65,951	28,320	197,360	(169,040)
Other	<u>9,560</u>	<u>8,489</u>	<u>10,000</u>	<u>(1,511)</u>
Total expenditures	<u>772,677</u>	<u>784,692</u>	<u>\$ 971,137</u>	<u>\$ (186,445)</u>
Receipts over (under) expenditures	24,937	14,378		
Unencumbered cash, July 1	152,916	181,583		
Prior year cancelled encumbrances	<u>3,730</u>	<u>0</u>		
Unencumbered cash, June 30	\$ <u>181,583</u>	\$ <u>195,961</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2h

**SPECIAL PURPOSE FUNDS
PROFESSIONAL DEVELOPMENT**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Local sources				
Other	\$ 0	\$ 1,098	\$ 7,500	\$ (6,402)
State sources				
State aid	7,710	2,825	0	2,825
Other				
Transfer from general	15,350	0	0	0
Transfer from supplemental general	40,000	10,000	10,000	0
Total cash receipts	<u>63,060</u>	<u>13,923</u>	<u>\$ 17,500</u>	<u>\$ (3,577)</u>
Expenditures				
Instructional support staff				
Salaries certified	50,145	29,699	\$ 0	\$ 29,699
Employee benefits				
Social security	2,067	421	1,288	(867)
Other	238	6	31	(25)
Purchased professional and technical services	0	0	58,058	(58,058)
Purchased property services	0	0	6,000	(6,000)
Supplies				
Books and periodicals	2,522	210	4,000	(3,790)
Miscellaneous supplies	0	0	5,800	(5,800)
Other	4,473	2,084	0	2,084
Other supplemental services				
Supplies	1,327	1,289	0	1,289
Total expenditures	<u>60,772</u>	<u>33,709</u>	<u>\$ 75,177</u>	<u>\$ (41,468)</u>
Receipts over (under) expenditures	2,288	(19,786)		
Unencumbered cash, July 1	52,276	57,677		
Prior year cancelled encumbrances	<u>3,113</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 57,677</u>	<u>\$ 37,891</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2i

**SPECIAL PURPOSE FUNDS
PARENT EDUCATION PROGRAM**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
State sources					
Parent education aid	\$ 24,087	\$ 26,500	\$ 29,087	\$ (2,587)	
Other					
Transfer from supplemental general	18,906	17,225	18,906	(1,681)	
Total cash receipts	<u>42,993</u>	<u>43,725</u>	<u>\$ 47,993</u>	<u>\$ (4,268)</u>	
Expenditures					
Student support services					
Salaries					
Non-Certified	28,342	27,597	\$ 29,263	\$ (1,666)	
Employee benefits					
Social security	2,168	2,026	2,238	(212)	
Insurance	4,103	4,166	5,220	(1,054)	
Other	185	192	226	(34)	
Purchased professional and technical services	4,700	7,930	0	7,930	
Other purchased services					
Other	0	0	1,784	(1,784)	
Miscellaneous supplies	3,495	1,814	3,000	(1,186)	
Other	0	0	2,281	(2,281)	
Instructional support staff					
Purchased professional and technical services	0	0	3,181	(3,181)	
Other purchased services	<u>0</u>	<u>0</u>	<u>800</u>	<u>(800)</u>	
Total expenditures	<u>42,993</u>	<u>43,725</u>	<u>\$ 47,993</u>	<u>\$ (4,268)</u>	
Receipts over (under) expenditures	0	0			
Unencumbered cash, July 1	<u>0</u>	<u>0</u>			
Unencumbered cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>			

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2i

**SPECIAL PURPOSE FUNDS
SUMMER SCHOOL**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Other				
Transfer from supplemental general	\$ 50,000	\$ 0	\$ 0	\$ 0
Expenditures				
Instruction				
Salaries				
Non-certified	737	0	0	0
Supplies	35	0	0	0
School Administration				
Salaries				
Non-certified	494	0	0	0
Employee benefits				
Social security	38	0	0	0
Other	1	0	0	0
Transfers to				
General	0	70,100	70,100	0
Total expenditures	<u>1,305</u>	<u>70,100</u>	<u>\$ 70,100</u>	<u>\$ 0</u>
Receipts over (under) expenditures	48,695	(70,100)		
Unencumbered cash, July 1	<u>21,405</u>	<u>70,100</u>		
Unencumbered cash, June 30	<u>\$ 70,100</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2k

**SPECIAL PURPOSE FUNDS
SPECIAL EDUCATION**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Other				
Transfer from general	\$ 1,720,735	\$ 1,570,098	\$ 1,895,000	\$ (324,902)
Transfer from supplemental general	500,000	525,000	525,000	0
Total cash receipts	<u>2,220,735</u>	<u>2,095,098</u>	<u>\$ 2,420,000</u>	<u>\$ (324,902)</u>
Expenditures				
Instruction				
Payment to spec. ed. (Assessments)	484,576	575,212	\$ 575,212	\$ 0
Payment to spec. ed. (Flow through)	1,664,163	1,508,413	1,833,700	(325,287)
Student transportation services				
Property (equipment & furnishings)	0	1,080	60,266	(59,186)
Vehicle operating services				
Salaries				
Noncertified	34,182	41,006	37,117	3,889
Employee benefits				
Social security	2,613	3,117	2,838	279
Other	1,651	2,253	2,075	178
Other purchased services				
Insurance	2,241	0	2,275	(2,275)
Supplies				
Motor fuel	5,117	6,599	20,300	(13,701)
Other	209	3,638	4,525	(887)
Total expenditures	<u>2,194,752</u>	<u>2,141,318</u>	<u>\$ 2,538,308</u>	<u>\$ (396,990)</u>
Receipts over (under) expenditures	25,983	(46,220)		
Unencumbered cash, July 1	92,325	118,308		
Prior year cancelled encumbrances	<u>0</u>	<u>0</u>		
Unencumbered cash, June 30	\$ <u>118,308</u>	\$ <u>72,088</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2I

**SPECIAL PURPOSE FUNDS
VOCATIONAL EDUCATION**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Federal sources				
Special project aid	\$ 0	\$ 151	\$ 9,000	\$ (8,849)
Other				
Transfer from General	61,309	20,137	20,137	0
Transfer from Supplemental General	240,000	290,000	290,000	0
Total cash receipts	<u>301,309</u>	<u>310,288</u>	<u>\$ 319,137</u>	<u>\$ (8,849)</u>
Expenditures				
Instruction				
Salaries				
Certified	239,048	243,938	\$ 238,283	\$ 5,655
Employee benefits				
Insurance	20,022	14,461	18,166	(3,705)
Social security	17,702	17,880	18,206	(326)
Other	1,531	1,625	1,832	(207)
Purchased Property Services	0	0	500	(500)
Supplies				
General supplemental	19,017	16,461	21,000	(4,539)
Miscellaneous supplies	0	0	12,300	(12,300)
Property	(315)	759	47,623	(46,864)
Other	10,902	7,874	0	7,874
Operations and maintenance				
Water/sewer	9,401	8,084	10,000	(1,916)
Property	918	2,938	0	2,938
Total expenditures	<u>318,226</u>	<u>314,020</u>	<u>\$ 367,910</u>	<u>\$ (53,890)</u>
Receipts over (under) expenditures	(16,917)	(3,732)		
Unencumbered cash, July 1	65,671	48,773		
Prior year cancelled encumbrances	19	0		
Unencumbered cash, June 30	<u>\$ 48,773</u>	<u>\$ 45,041</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas**Schedule 2m****SPECIAL PURPOSE FUNDS
GIFTS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the Year Ended June 30, 2015****(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Local sources		
Contributions	\$ 11,907	\$ 23,662
Expenditures		
Instruction	<u>11,622</u>	<u>18,457</u>
Receipts over (under) expenditures	285	5,205
Unencumbered cash, July 1 as restated	31,185	31,844
Prior year cancelled encumbrances	<u>374</u>	<u>0</u>
Unencumbered cash, June 30	<u><u>\$ 31,844</u></u>	<u><u>\$ 37,049</u></u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2n

**SPECIAL PURPOSE FUNDS
KPERS Special Retirement Contribution**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
State sources				
KPERS	\$ 1,189,401	\$ 1,164,967	\$ 1,379,705	\$ (214,738)
Expenditures				
Instruction				
Employee benefits	850,422	802,080	\$ 949,927	\$ (147,847)
Student support				
Employee benefits	67,796	114,167	135,211	(21,044)
Instructional support				
Employee benefits	32,114	29,357	34,769	(5,412)
General administration				
Employee benefits	55,902	38,560	45,668	(7,108)
School administration				
Employee benefits	65,417	49,278	58,362	(9,084)
Central Services				
Employee benefits	5,947	18,173	21,523	(3,350)
Operations and maintenance				
Employee benefits	68,985	56,035	66,364	(10,329)
Student transportation services				
Employee benefits	22,599	35,066	41,529	(6,463)
Food service				
Employee benefits	20,219	22,251	26,352	(4,101)
Total expenditures	<u>1,189,401</u>	<u>1,164,967</u>	<u>\$ 1,379,705</u>	<u>\$ (214,738)</u>
Receipts over (under) expenditures	0	0		
Unencumbered cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2o

**SPECIAL PURPOSE FUNDS
CONTINGENCY RESERVE**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts	\$ 0	\$ 0
Expenditures	<u>0</u>	<u>0</u>
Receipts over expenditures	0	0
Unencumbered cash, July 1	<u>415,364</u>	<u>415,364</u>
Unencumbered cash, June 30	<u><u>\$ 415,364</u></u>	<u><u>\$ 415,364</u></u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas**Schedule 2p****SPECIAL PURPOSE FUNDS
TEXTBOOK RENTAL****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Local sources		
Rental fees and books	\$ 56,640	\$ 58,020
Expenditures		
Instruction		
Supplies	<u>114,262</u>	<u>136,299</u>
Receipts over (under) expenditures	(57,622)	(78,279)
Unencumbered cash, July 1	160,866	105,641
Prior year cancelled encumbrances	<u>2,397</u>	<u>0</u>
Unencumbered cash, June 30	<u><u>\$ 105,641</u></u>	<u><u>\$ 27,362</u></u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2g

SPECIAL PURPOSE FUNDS
SPECIAL SERVICES COOPERATIVE

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Local sources				
Payments from school districts and government sources	\$ 3,846,477	\$ 3,826,581	\$ 4,281,580	\$ (454,999)
Interest on idle funds	14	8	20	(12)
Reimbursements	52,151	52,293	0	52,293
Other	12,403	8,815	37,000	(28,185)
Federal sources				
Regular	720,300	705,261	582,773	122,488
Tips	25,870	25,870	235,000	(209,130)
Medicaid	228,404	264,064	146,414	117,650
Total cash receipts	4,885,619	4,882,892	\$ 5,282,787	\$ (399,895)
Expenditures				
Instruction				
Salaries				
Certified	1,841,179	1,878,005	\$ 1,817,148	\$ 60,857
Noncertified	1,143,140	1,134,641	1,184,620	(49,979)
Employee benefits				
Insurance	91,104	75,502	155,612	(80,110)
Social security	159,972	151,437	218,556	(67,119)
Other	18,424	19,596	23,458	(3,862)
Purchased professional and technical services	5,878	2,804	0	2,804
Other purchased services				
Tuition	24,963	5,921	25,000	(19,079)
Other	47,721	48,974	58,200	(9,226)
Supplies				
General teaching supplies	12,202	6,532	29,605	(23,073)
Property	3,124	1,983	3,500	(1,517)
Other	50	805	500	305
Student support services				
Salaries				
Certified	544,339	565,028	857,745	(292,717)
Employee benefits				
Insurance	102,060	104,379	54,288	50,091
Social security	111,842	125,617	75,997	49,620
Other	11,196	10,043	6,377	3,666
Purchased professional and technical services	215,683	233,619	35,518	198,101
Other purchased services	19,914	17,910	4,100	13,810
Supplies	15,226	18,410	12,000	6,410

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2g

**SPECIAL PURPOSE FUNDS
SPECIAL SERVICES COOPERATIVE**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Expenditures - continued				
Student support services - continued				
Property	\$ 1,000	\$ 53	\$ 10,500	\$ (10,447)
Other	0	121	150	(29)
Instructional support staff				
Salaries				
Certified	11,450	10,283	2,000	8,283
Noncertified	0	0	8,283	(8,283)
Employee benefits				
Social security	108	126	1,175	(1,049)
Other	3	2	2	0
Purchased professional and technical services	26,221	13,452	27,339	(13,887)
Other purchased services	0	0	500	(500)
Property	11,826	28,527	7,691	20,836
General administration				
Special area administration services				
Salaries				
Certified	138,560	143,197	134,687	8,510
Noncertified	132,905	141,595	148,746	(7,151)
Employee benefits				
Insurance	21,761	14,022	19,105	(5,083)
Social security	20,365	21,414	21,176	238
Other	1,807	1,956	2,133	(177)
Purchased professional and technical services	7,974	8,000	8,000	0
Other purchased services	174	0	850	(850)
Property	1,510	400	3,000	(2,600)
Supplies	0	1,300	0	1,300
Other	2,200	0	3,000	(3,000)
Student transportation services				
Vehicle operating services				
Other purchased services				
Contracting bus service	0	0	900	(900)
Mileage in lieu of trans	0	0	5,500	(5,500)
Insurance	480	500	500	0
Supplies				
Motor fuel	2,500	1,585	3,000	(1,415)
School administration				
Salaries				
Certified	0	0	1,300	(1,300)

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2a

**SPECIAL PURPOSE FUNDS
SPECIAL SERVICES COOPERATIVE**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Expenditures - continued				
Other supplemental services				
Purchased property services	\$ 33,414	\$ 30,081	\$ 4,100	\$ 25,981
Purchased professional and technical services	7,389	7,030	28,195	(21,165)
Other purchased services	3,417	3,394	11,325	(7,931)
Supplies	8,073	13,199	13,250	(51)
Property	0	0	744,935	(744,935)
Total expenditures	4,801,154	4,841,443	\$ 5,773,566	\$ (932,123)
Receipts over (under) expenditures	84,465	41,449		
Unencumbered cash, July 1	406,253	490,779		
Prior year cancelled encumbrances	61	0		
Unencumbered cash, June 30	<u>\$ 490,779</u>	<u>\$ 532,228</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

**SPECIAL PURPOSE FUNDS
FEDERAL GRANTS**

**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>Title I</u>	<u>Title IIA</u>
Cash receipts		
Federal sources	\$ 137,302	\$ 47,351
Operating transfers	<u>23,038</u>	<u>0</u>
Total cash receipts	<u>160,340</u>	<u>47,351</u>
Expenditures		
Instruction	159,023	0
Instructional support staff	1,317	21,964
General administration	0	2,349
Operating transfers	<u>0</u>	<u>23,038</u>
Total expenditures	<u>160,340</u>	<u>47,351</u>
Receipts over (under) expenditures	0	0
Unencumbered cash (deficit), July 1	<u>0</u>	<u>0</u>
Unencumbered cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

See Independent Auditor's Report.

Schedule 2r

Totals		Prior Year	
June 30, 2015		Totals	
		June 30, 2014	
\$	184,653	\$	159,863
	<u>23,038</u>		<u>23,038</u>
	<u>207,691</u>		<u>182,901</u>
	159,023		134,857
	23,281		24,417
	2,349		2,237
	<u>23,038</u>		<u>23,038</u>
	<u>207,691</u>		<u>184,549</u>
	0		(1,648)
	<u>0</u>		<u>1,648</u>
\$	<u><u>0</u></u>	\$	<u><u>0</u></u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2s

**BOND & INTEREST FUNDS
BOND AND INTEREST #2**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)
	2014 Actual	Actual	Budget	
Cash receipts				
Local sources				
Ad valorem tax	\$ 1,185,355	\$ 1,220,717	\$ 1,178,456	\$ 42,261
Delinquent tax	17,776	5,889	12,041	(6,152)
County sources				
Motor vehicle tax	124,463	142,311	123,633	18,678
Recreational vehicle tax	2,767	2,441	3,009	(568)
16/20M truck	2,665	2,437	0	2,437
State sources				
State aid - capital improvements	685,211	823,920	823,920	0
Other				
Federal tax credit	171,939	173,246	171,938	1,308
Total cash receipts	<u>2,190,176</u>	<u>2,370,961</u>	<u>\$ 2,312,997</u>	<u>\$ 57,964</u>
Expenditures				
Debt service				
Interest	759,888	730,488	\$ 730,488	\$ 0
Principal	1,455,000	1,485,000	1,485,000	0
Total expenditures	<u>2,214,888</u>	<u>2,215,488</u>	<u>\$ 2,215,488</u>	<u>\$ 0</u>
Receipts over (under) expenditures	(24,712)	155,473		
Unencumbered cash, July 1	<u>2,040,917</u>	<u>2,016,205</u>		
Unencumbered cash, June 30	\$ <u>2,016,205</u>	\$ <u>2,171,678</u>		

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 2t

**CAPITAL PROJECTS FUND
CONSTRUCTION**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Total cash receipts	\$ <u>0</u>	\$ <u>0</u>
Expenditures		
Architectural & engineering services	<u>0</u>	<u>15,000</u>
Receipts over (under) expenditures	0	(15,000)
Unencumbered cash, July 1	<u>15,001</u>	<u>15,001</u>
Unencumbered cash, June 30	\$ <u><u>15,001</u></u>	\$ <u><u>1</u></u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas**Schedule 2a****INTERNAL SERVICE FUND
HEALTH CARE SERVICES****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the Year Ended June 30, 2015****(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Local sources		
Interest on idle funds	\$ <u>2</u>	\$ <u>1</u>
 Expenditures		
General administration		
Other purchased services	<u>101,176</u>	<u>0</u>
Total expenditures	<u>101,176</u>	<u>0</u>
Receipts over (under) expenditures	(101,174)	1
Unencumbered cash, July 1	<u>161,766</u>	<u>60,592</u>
Unencumbered cash, June 30	\$ <u><u>60,592</u></u>	\$ <u><u>60,593</u></u>

This fund is currently being used to fund the District's share of the health premiums. The District is no longer self-insured for health insurance.

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 3

AGENCY FUND
STUDENT ORGANIZATION FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS
For the Year Ended June 30, 2015

Fund	Cash Beginning	Cash Receipts	Cash Disbursements	Cash Ending
Wamego High School				
Class of 2014	\$ 2,148	\$ 0	\$ 0	\$ 2,148
Class of 2015	5,030	1,010	2,009	4,031
Class of 2016	4,983	9,487	8,411	6,059
Class of 2017	902	4,436	50	5,288
Class of 2018	0	1,263	100	1,163
Art club	990	0	25	965
Band	5,082	34,701	37,820	1,963
Broadcasting	693	31	61	663
Life Skills	2,176	907	1,504	1,579
CFL	2,478	3,485	4,991	972
Cheerleaders	750	12,560	12,393	917
Culinary Arts	3,013	2,488	2,804	2,697
Debate/Forensic	573	1,278	1,727	124
Dazzler	936	3,845	4,777	4
F.B.L.A.	4,547	20,874	20,866	4,555
F.C.A.	495	0	0	495
F.E.A.	4	0	0	4
F.F.A.	12,007	49,573	46,763	14,817
F.C.C.L.A.	1,727	12,283	13,233	777
Fine Arts	503	258	750	11
Interest	148	78	0	226
Kays	1,306	1,146	752	1,700
Mentoring	970	0	0	970
National Honor Society	658	4,021	3,078	1,601
Newspaper	1,455	0	0	1,455
Peer counselor	31	0	0	31
Prom	0	5,700	5,700	0
Renaissance	511	0	0	511
SADD	1,809	1,964	2,169	1,604
Scholar bowl	940	1,520	1,277	1,183
Science club	1,000	439	580	859
Science Fair	3,155	6,102	1,647	7,610
Spanish Club	608	1,755	1,848	515
Student council	3,190	5,780	5,424	3,546
Sport Uniform	858	18,316	17,486	1,688
Theatre club	6,448	10,800	9,854	7,394
Vocal music	12,226	12,138	2,211	22,153
Weightlifting	888	354	367	875
Annual	0	14,454	13,536	918
Concessions	0	37,699	30,466	7,233
Football gift	0	11,439	9,723	1,716
C.C./Track gift	0	9,576	5,896	3,680
Girl's tennis gift	0	404	0	404
Boy's tennis gift	0	66	0	66
Girl's b-ball gift	0	134	0	134
Boy's b-ball gift	0	127	113	14
Volleyball gift	0	4,266	792	3,474

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

Schedule 3

**AGENCY FUND
STUDENT ORGANIZATION FUNDS**

**SCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS
For the Year Ended June 30, 2015**

Fund	Cash Beginning	Cash Receipts	Cash Disbursements	Cash Ending
Wamego High School				
Wrestling gift	\$ 0	\$ 11,871	\$ 10,706	\$ 1,165
Baseball gift	0	7,430	5,132	2,298
Golf gift	0	3,368	2,597	771
Softball gift	0	8,222	7,006	1,216
Theatre gift	0	1,014	1,014	0
Subtotal Wamego High School	<u>85,238</u>	<u>338,662</u>	<u>297,658</u>	<u>126,242</u>
Junior High School				
Physical education	48	2,145	2,184	9
Band	2,650	15,219	13,415	4,454
Boy's basketball	1,288	0	466	822
Girl's Basketball	52	1,367	1,194	225
Chorus	5,690	4,370	3,647	6,413
Kays	878	1,385	498	1,765
Track	0	1,281	911	370
Science fair	0	305	0	305
Student council	364	4,497	4,798	63
Sports Uniforms	3,018	0	3,018	0
Football	918	0	500	418
Teen leaders	596	356	270	682
Volleyball	451	553	569	435
MS gift	340	490	0	830
Wrestling	0	1,102	0	1,102
Yearbook	43	3,971	3,477	537
Book fair	0	1,816	1,448	368
Concessions	0	14,117	11,539	2,578
Graduation fund	0	2,154	1,468	686
Magazine fundraiser	0	4,252	2,194	2,058
Nutrition advisor	0	246	0	246
Pop fund	0	562	487	75
Science	0	564	538	26
Subtotal Junior High School	<u>16,336</u>	<u>60,752</u>	<u>52,621</u>	<u>24,467</u>
West Elementary School				
Band	201	290	263	228
Vocal music	700	599	782	517
Turn around	168	0	0	168
Yearbook	37	3,063	2,262	838
Carnival	0	14,663	9,289	5,374
Gift fund	0	828	558	270
Library	0	1,796	953	843
Robotics	0	180	0	180
Student council	0	456	179	277
West pencils	0	2,214	1,617	597
Books for fun	0	20	0	20
Subtotal West Elementary	<u>1,106</u>	<u>24,109</u>	<u>15,903</u>	<u>9,312</u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas**Schedule 3****AGENCY FUND
STUDENT ORGANIZATION FUNDS****SCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS**

For the Year Ended June 30, 2015

Fund	Cash Beginning	Cash Receipts	Cash Disbursements	Cash Ending
Central Elementary School				
Student benefit	\$ 3,520	\$ 4,669	\$ 6,447	\$ 1,742
Central gift fund	0	265	0	265
Landscaping	0	125	0	125
Library book fair	0	4,011	1,597	2,414
Subtotal Central Elementary	3,520	9,070	8,044	4,546
Total student organization funds	\$ 106,200	\$ 432,593	\$ 374,226	\$ 164,567

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2015

	Unencumbered Cash Balance Beginning	Cash Receipts	Expenditures
Gate receipts			
Wamego High School Athletics	\$ 955	\$ 108,644	\$ 104,352
Wamego Junior High School Athletics	9,530	29,856	34,998
Subtotal gate receipts	<u>10,485</u>	<u>138,500</u>	<u>139,350</u>
School Projects			
Wamego High School			
Annual	994	0	994
Concessions	3,658	0	3,658
Football gift	6,333	0	6,333
C.C./Track gift	2,171	0	2,171
Girl's tennis gift	404	0	404
Boy's tennis gift	66	0	66
Girl's b-ball gift	134	0	134
Boy's b-ball gift	127	0	127
Volleyball gift	801	0	801
Wrestling gift	1,468	0	1,468
Baseball gift	1,195	0	1,195
Golf gift	541	0	541
Softball gift	3,272	0	3,272
Theatre gift	1	0	1
Athletics travel	1,251	0	0
Junior High School			
Class fees-art/comp graphics	0	290	290
Book fair	345	0	345
Concessions	3,379	0	3,379
Graduation fund	523	0	523
Magazine fundraiser	2,170	0	2,170
Nutrition advisor	246	0	246
Pop fund	288	0	288
Science	564	0	564
Woods	0	6,529	6,529
West Elementary School			
Activity	518	2,920	3,401
Agenda	0	438	438
Bullying prevention	372	2,000	300
Carnival	780	0	780
Gift fund	49	0	49
Library	391	0	391
Robotics	180	0	180
Student council	212	0	212
West pencils	553	0	553
Books for fun	20	0	20

See Independent Auditor's Report.

Schedule 4

Unencumbered Cash Balance Ending	Outstanding Encumbrances and Accounts Payable	Cash Balance June 30, 2015
\$ 5,247	\$ 0	\$ 5,247
4,388	0	4,388
<u>9,635</u>	<u>0</u>	<u>9,635</u>
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
1,251	0	1,251
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
37	0	37
0	0	0
2,072	0	2,072
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended June 30, 2015**

	<u>Unencumbered Cash Balance Beginning</u>	<u>Cash Receipts</u>	<u>Expenditures</u>
School Projects - continued			
Central Elementary School			
Central gift fund	\$ 265	\$ 0	\$ 265
Landscaping	125	0	125
Library book fair	2,368	0	2,368
	<u>35,764</u>	<u>12,177</u>	<u>44,581</u>
Subtotal school projects			
User fees			
High School			
Art photography	0	3,390	3,390
Book rental	0	4,438	4,438
Foods	0	1,375	1,375
Technology	0	1,076	1,076
Library	0	2,485	2,485
Welding	0	10,489	10,489
Calculator rental	0	10	10
Voag/horticulture	0	330	330
Wood/tech	0	8,790	8,790
Sales tax	0	13,951	13,951
Student meals	0	5,660	5,660
General	0	11,812	11,812
Junior High School			
Book rental	0	1,592	1,592
Handbook	224	1,349	1,291
Library	803	133	44
Technology	0	468	438
Student meals	0	1,342	1,342
Sales tax	36	3,904	3,940
West Elementary School			
Book rental	0	2,277	2,277
Milk	0	8,073	8,073
Returns	577	198	336
Sales tax	0	1,861	1,861
Technology charge	0	395	395

See Independent Auditor's Report.

Schedule 4

[illegible]

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended June 30, 2015**

	Unencumbered Cash Balance Beginning	Cash Receipts	Expenditures
User fees - continued			
Central Elementary School			
Preschool Role Model	\$ 0	\$ 1,100	\$ 1,100
Book rental	0	2,326	2,326
Milk	0	11,123	11,123
Student meals	0	2,929	2,929
Library	0	325	325
Pencil	0	82	82
Kiwi bags	0	327	327
Technology	0	510	510
Sales tax	0	624	624
	<u>1,640</u>	<u>104,744</u>	<u>104,741</u>
Subtotal user fees			
	<u>1,640</u>	<u>104,744</u>	<u>104,741</u>
Total district activity funds	\$ <u>47,889</u>	\$ <u>255,421</u>	\$ <u>288,672</u>

See Independent Auditor's Report.

Schedule 4

<u>Unencumbered Cash Balance Ending</u>	<u>Outstanding Encumbrances and Accounts Payable</u>	<u>Cash Balance June 30, 2015</u>
\$ 0	\$ 0	\$ 0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
<u>1,643</u>	<u>0</u>	<u>1,643</u>
<u>\$ 14,638</u>	<u>\$ 0</u>	<u>\$ 14,638</u>

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2015

Federal Grant Pass Through Grantor/Program Title	Federal CFDA Number	Pass Through Grantor's Number	Revenues	Expenditures
<u>U.S. Department of Agriculture</u>				
<u>Pass Through Kansas Department of Education</u>				
School breakfast program	10.553	N/A	\$ 52,201	\$ 52,201
National school lunch program	10.555	N/A	216,863	216,863
Cash for commodities	10.555	N/A	42,546	42,546
Special milk program for children	10.556	N/A	522	522
Federal school food service	10.560	N/A	363	363
Total U.S. Department of Agriculture			312,495	312,495
<u>U.S. Department of Health and Human Services</u>				
<u>Pass Through Kansas Health Policy Authority</u>				
Youth risk behavior survey	93.938	N/A	200	200
<u>U.S. Department of Education</u>				
<u>Pass Through Kansas Department of Education</u>				
Title I	84.010	DO320	137,302	137,302
Special education - grants to states - Title VI	84.027	N/A	558,157	558,157
Special education - grants to states - Title VI	84.027	N/A	25,870	25,870
Carl Perkins	84.048	N/A	2,976	2,976
Special education - preschool grant	84.173	N/A	22,279	22,279
Title IIA	84.367	DO320	47,471	47,471
<u>Pass Through Kansas Department of Health and Environment</u>				
Title I Infant toddler early intervention	84.181	N/A	124,825	124,825
Total U.S. Department of Education			918,880	918,880
Total revenue and expenditures of federal awards			\$ 1,231,575	\$ 1,231,575

See Independent Auditor's Report.

Unified School District Number 320, Wamego, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2015

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a select portion of the operations of the District, it is not intended to and does not present the summary of receipts, expenditures and unencumbered cash of the District.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule of Expenditures of Federal awards are reported on the regulatory basis of accounting as described in the *Kansas Municipal Audit and Accounting Guide* (KMAAG).

NOTE C. SUBRECIPIENTS

The District did not provide federal awards to subrecipients for the year ended June 30, 2015.

Special Reports

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Education
Unified School District Number 320
Wamego, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statement of Unified School District Number 320 as of and for the year ended June 30, 2015, and the related notes to the financial statements, which comprise the District's regulatory basis financial statements, and have issued our report thereon dated November 5, 2015. The District prepares its financial statements on a regulatory basis of accounting which demonstrates compliance with *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal controls) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material misstatements of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose describe in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether District's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Agler & Gaddert, Chartered

Ottawa, Kansas
November 5, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education
Unified School District Number 320
Wamego, Kansas

Report on Compliance for Each Major Federal Program

We have audited Unified School District Number 320's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *OMB Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based upon requirements of *OMB Circular A-133*. Accordingly, this report is not suitable for any other purpose.

Opfer & Goedert, Chartered

Ottawa, Kansas
November 5, 2015

Unified School District Number 320, Wamego, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2015

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified not considered to be material weaknesses: None noted

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified not considered to be material weaknesses: None noted

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with
OMB Circular A-133, Section .510(a)? No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount</u>
84.027	Title VI EHC-FLO-Through	558,157
84.027	Title VI EHC-FLO-Through DISC	25,870
84.173	Title VI EHC-FLO-Through - Preschool	22,279

Dollar threshold used to distinguish between Type A and Type B programs \$ 300,000

Auditee qualified as a low-risk auditee? Yes